

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

World Production and Trade

United States
Department of
Agriculture

Foreign
Agricultural
Service

Washington, D.C. 20250

Weekly
Roundup

WR 22-85

May 30, 1985

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

GRAIN AND FEED

A proposal before TAIWAN'S cabinet to raise the levy on grain imports from \$6 per ton to \$7.60 per ton could reduce feed grain imports in favor of non-grain substitutes such as tapioca. This follows Taiwan's approval last year of a \$1 per ton increase. Although there is considerable opposition from Taiwan's feed millers to this proposal, it is clear the government wishes to diversify the feed mix and sources of supply. Taiwan's tapioca imports have already increased from zero in calendar 1983 to over 50,000 tons in 1984 and could possibly double this year. The United States has supplied an average of 70 percent of Taiwan's feed grain imports in recent years.

OILSEEDS AND PRODUCTS

The United States may not be TAIWAN'S sole supplier of soybeans in 1985. A five-year purchase agreement is under negotiation with Uruguay, and another purchase is under negotiation with Paraguay. Soybean imports by Taiwan in 1985 are estimated by USDA at 1.4 million tons, including 1.365 million from the United States. In a related development, government officials in Taiwan have decided to raise the special levy on imported soybeans from U.S. \$6.20 to U.S. \$7.70 per ton.

Robb Deigh, Editor, Tel. (202) 382-9330. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5918-S, Washington, D.C. 20250. Tel. (202) 447-7937

CHILE'S fishmeal production in 1984 was a record 1.1 million tons, up 29 percent from 1983, according to the agricultural attache in Santiago. Despite temporary fishing bans, fishmeal output in 1985 is expected to remain close to last year's level because of favorable fishing conditions so far this year and large investments in the fishing sector. Exports of fishmeal also set a record in 1984 at 781,000 tons, and are expected to expand to 850,000 tons in 1985. Fishmeal competes with soybean meal in feed rations. In 1984 the European Community was the largest market for Chilean fishmeal exports followed by China and the United States.

DAIRY, LIVESTOCK AND POULTRY

CANADA and the EUROPEAN COMMUNITY (EC) reached agreement after lengthy negotiations on a new 1985 quota for Canadian imports of 10,668 tons of EC beef. The original EC quota for 1985 was set at 2,700 tons, a quantity which represented the EC share of imports during the five-year period 1979-1983.

EC beef exports to Canada in 1984 were more than 22,000 tons. Virtually all EC beef exports are frozen, boneless manufacturing beef. The large exports in 1984 were encouraged by attractive EC export subsidies.

The only EC countries approved to export fresh and frozen beef to Canada are Ireland and Denmark. The EC is expected to establish a quota for each country's shipments to Canada in 1985.

The EUROPEAN COMMUNITY Commission accepted applications for import licenses for 35 tons of U.S. high-quality beef in April 1985. The quota available for the rest of 1985 is 9829.6 tons out of the total quota of 10,000 tons.

The strong U.S. dollar coupled with very low prices for somewhat comparable higher grades of European beef account for most of the low imports of high-quality beef in 1985. Only about 170 import licenses were issued in the first four months of 1985 compared about 304 for the same period in 1984.

Imports by member countries for the January-April 1983 through 1985 periods are as follows, in tons:

January-April	1983	1984	1985
Belgium	36.0	22.0	15.0
Denmark	125.0	0	75.0
Germany	74.2	34.0	26.0
Greece	80.0	5.6	5.0
France	10.0	5.9	5.9
Netherlands	27.0	37.0	43.5
United Kingdom	617.0	199.8	0
Total	969.2	304.3	170.4

-more-

Effective May 15, 1985, the EUROPEAN COMMUNITY Commission reduced export subsidies for fresh, chilled and frozen pork and canned hams and shoulders to the United States and Canada for the fourth time this year. The subsidy for frozen pork is now \$36 per ton, down from the previous level set in April 1985 of \$76. The new level for canned hams is now the equivalent of \$44 per ton, down from \$83. The new subsidy for shoulders is \$36 per ton compared with the previous level of \$76. As was the case for the previous changes, the reason cited for this reduction was the continued firming of U.S. prices and the strength of the U.S. dollar. The Commission began reducing these subsidies in May 1984. Since then they have been reduced about 90 percent, down from year-ago levels of \$534 for canned hams and \$437 for canned shoulders.

The value of EC exports of pork and canned hams and shoulders to the United States was \$337 million in 1984 up from \$239 million in 1983. For January-March 1985, the value of U.S. imports of these products were \$77 million, up from \$56 million during January-March 1984. Due to the strength of the dollar and Denmark being recognized as free of foot and mouth disease in January 1984, the quantity of pork imports from the EC in 1984 was much greater, reaching more than 130,000 tons compared to only 60,000 tons in 1982 and 72,500 tons in 1983.

COTTON

TUNISIA has just received delivery of the first 1,000 tons of cotton negotiated as part of a countertrade agreement with China. The agreement, which involved construction of a fertilizer factory in China by Tunisia and Kuwait, provided for the shipment of 150,000 tons of soft wheat and 6,000 tons of cotton to Tunisia. The 6,000 tons of cotton constitutes about half of Tunisian annual raw cotton import needs. The United States has supplied about 630 tons of cotton to Tunisia thus far this marketing year. The countertrade agreement reduces the likelihood of additional U.S. cotton sales in the near future.

VEGETABLES

In SPAIN, production of tomatoes for processing is forecast at 990,000 tons in 1985, down 5 percent from last year's record 1.04-million-ton crop, according to the U.S. agricultural counselor in Madrid. The projected decline is attributed to large tomato product stocks which has led to a reduction in this year's plantings. Good irrigation water supplies and continued heavy use of fertilizer and pesticides are expected to result in an average yield equal to last year's record level.

SUDAN'S gum arabic production for 1984/85 is forecast at only 10,000 tons, down sharply from the 1983/84 harvest of 38,000 tons. The unusually small crop this season is the result of a drought early in the season, followed by unseasonable rains in late March and early April, which reduced production from the second tapping of the trees. The first tapping, which ended in February, yielded only 7,000 tons.

The United States is the world's largest consumer of gum arabic. The gum is used in many products and industries, where it performs as a stabilizer, emulsifier or binding agent. Sudan is the world's largest producer, accounting for over three-quarters of the world total.

-more-

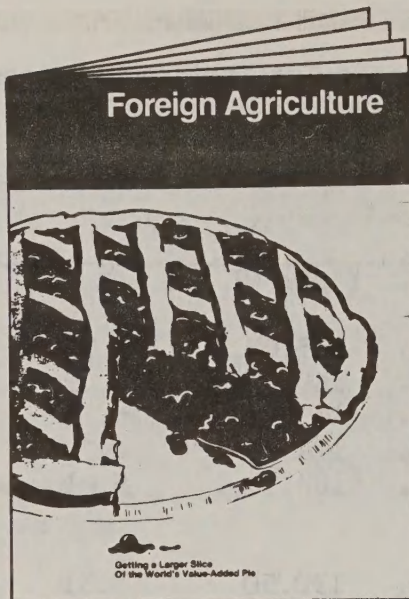
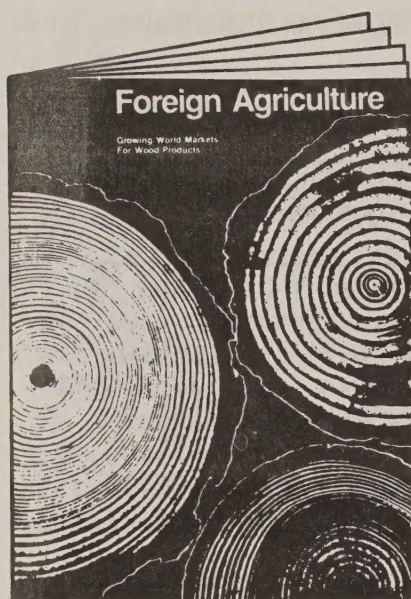
COFFEE, TEA AND COCOA

Cocoa production forecasts in 1984/85 for the IVORY COAST and CAMEROON, based on recent information from U.S. agricultural attaches in Abidjan and Lagos, are being increased from the February 1985 level. Cocoa production in the Ivory Coast is forecast at 525,000 tons, up from the 475,000 tons estimated earlier. Improved weather, mainly well-distributed rainfall, accounted for an exceptional main crop. A mild harmattan (hot, dry windy season) plus rains starting in late February have improved prospects for an excellent mid crop. In Cameroon, 1984/85 production is forecast at 120,000 tons, up from 115,000 tons estimated in February. Continued favorable weather and ample supplies of fertilizers, pesticides and herbicides have contributed to the larger-than-expected crop in Cameroon.

Selected International Prices

Item	: May 22, 1985		: Change from	: A year
	:		: previous week	: ago
ROTTERDAM PRICES 1/	\$ per MT	\$ per bu.	\$ per MT	\$ per MT
Wheat:				
Canadian No. 1 CWS-13.5%.	183.00	4.98	-1.50	N.Q.
U.S. No. 2 DNS/NS: 14%....	165.00	4.49	-2.00	186.50
U.S. No. 2 S.R.W.	139.00	3.78	-2.00	156.50
U.S. No. 3 H.A.D.....	176.00	4.79	0	191.00
Canadian No. 1 A: Durum...	184.25	5.01	-2.75	202.00
				12/
Feed grains:				
U.S. No. 3 Yellow Corn....	130.50	3.31	-1.00	161.50
Soybeans and meal:				
U.S. No. 2 Yellow.....13/	229.25	6.24	-2.25	346.90
Brazil 47/48% SoyaPellets 4/	137.50	--	-5.00	220.00
U.S. 44% Soybean Meal....	141.50	--	-2.50	223.00
U.S. FARM PRICES 5/				
Wheat.....	120.51	3.28	-1.10	134.84
Barley.....	83.59	1.82	0	101.96
Corn.....	102.76	2.61	-.39	135.04
Sorghum.....	97.00	4.40	6/ -.44	-111.55
Broilers 7/.....	1185.63	--	14.77	1303.36
EC IMPORT LEVIES				
Wheat 8/.....	73.90	2.01	+.50	75.00
Barley.....	67.60	1.47	+.25	64.15
Corn.....	60.00	1.52	+.05	47.80
Sorghum.....	71.45	1.81	+.65	73.00
Broilers 9/.....	160.00	--	0	166.00
EC INTERVENTION PRICES 10/				
Common wheat(feed quality)	149.05	4.06	+.60	178.95
Bread wheat (min. quality)7/	158.35	4.31	+.60	194.60
Barley and all				
other feed grains.....	149.05	--	.60	178.95
Broilers 11/.....	1070.00	--	0	1159.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	28.25	.77	--	N.A.
Barley.....	47.05	1.02	--	43.25
Broilers 9/.....	94.00	-1	N.Q.	130

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Optional delivery: Argentine Granifero sorghum. 3/ Optional delivery: Canadian feed barley. 4/ Optional delivery: Argentine. 5/ Based on selected major markets and adjusted to more closely reflect farm prices. 6/ Hundredweight (CWT). 7/ Nine-city average: wholesale weighted average. 8/ Durum has a special levy. 9/EC category--70% whole chicken. 10/Basically the intervention price is the EC farm price support, determined annually. 11/ Ex-plant price in West Germany for frozen whole chicken. 12/November shipment. 13/September shipment. N.Q.=Not quoted. N.A.=None authorized. Basis June delivery.



Do you need information about

- Overseas markets and buying trends?
- New competitors and products?
- Trade policy developments?
- Overseas promotional activities?

Then **Foreign Agriculture** — USDA's fact-filled monthly agricultural trade magazine — is for you. Based on official USDA data available nowhere else, **Foreign Agriculture** articles are clear and crisp, written to provide the export information you need, in a concise and extremely readable form.

Special information is found in **Foreign Agriculture's** telegraphed, targeted news departments: Fact File, Country Briefs, Trade Updates and Marketing News. And its tables and graphs will give you an immediate grasp of what's going on overseas.

In addition, periodic special issues—such as the one devoted entirely to value-added exports—will give you a wide range of detailed information about overseas markets.

If you use agricultural facts and figures in your business, you need **Foreign Agriculture**.

Subscribe today! Just \$16.00 (\$20.00 for foreign delivery) brings you Foreign Agriculture for 12 full months.

SUBSCRIPTION ORDER FORM

Please print or type

Write check payable to:
Superintendent of Documents

MAIL ORDER FORM TO:

Superintendent of Documents
Government Printing Office
Washington, D.C. 20402

For Office Use Only

Quantity	Charges
_____ Publications	_____
_____ Subscriptions	_____
Special Shipping Charges	_____
International Handling	_____
Special Charges	_____
OPNR	_____
_____ UPNS	_____
_____ Balance Due	_____
_____ Discount	_____
_____ Refund	_____

Enter My Subscription To FOREIGN AGRICULTURE

\$16.00 domestic (United States and its possessions); \$20.00 foreign. The Government Printing Office requires that foreign addressees send international money orders, UNESCO coupons, or checks drawn on a domestic bank only.

Enclosed is \$ _____

- ☐ Check
☐ Money order
☐ Charge to my Deposit Account

No. _____

Order No. _____

Credit Card Orders Only (Visa and Mastercard)

Total charges \$ _____

Credit card No. _____

Expiration Date Month/Year _____

Name—First, Last

Company Name or Additional Address Line

Street Address

City

State

Zip Code

Country

FAS Circulars: Market Information For Agricultural Exporters

As an agricultural exporter, you need timely, reliable information on changing consumer preferences, needs of foreign buyers, and the supply and demand situation in countries around the world.

The Foreign Agricultural Service can provide that information in its commodity circulars.

World agricultural information and updates on special FAS export services for the food and agricultural trade all are available in these periodic circulars.

For a sample copy of these reports—which can supply you with the information you need to make sound business decisions—check the box indicated, fill out the address form and mail it today.

To subscribe: Indicate which publications you want. Send a check for the total amount payable to the Foreign Agricultural Service. Only checks on U.S. banks, cashier's checks, or international money orders will be accepted. **NO REFUNDS CAN BE MADE.**

Mail this form to: Foreign Agricultural Service
Information Division
Room 4644-S
U.S. Department of Agriculture
Washington, D.C. 20250

No. of Subscriptions	Subscription Rate	
	Domestic	Foreign
_____ 10022 Cocoa (2 issues)	\$ 3.00	\$4.00
_____ 10003 Coffee (3 issues)	5.00	10.00
_____ 10004 Cotton (12 issues)	20.00	30.00
Dairy, Livestock & Poultry:		
_____ 10005 Export Trade & Prospects (8 issues)	14.00	22.00
_____ 10006 Meat & Dairy Monthly Imports (12 issues)	20.00	25.00
_____ 10007 Dairy Situation (2 issues)	3.00	4.00
_____ 10008 Livestock & Poultry Situation (2 issues)	4.00	7.00
_____ 10009 All 24 Reports Listed Above	41.00	58.00
Grains:		
_____ 10010 World Grain Situation & Outlook (16 issues)	28.00	41.00
_____ 10011 Export Markets for U.S. Grain (12 issues)	20.00	30.00
_____ 10013 USSR Grain Situation & Outlook (12 issues)	15.00	20.00
_____ 10014 All 40 Reports Listed Above	63.00	91.00
_____ 10015 Horticultural Products (12 issues)	20.00	30.00
_____ 10016 Oilseeds & Products (13 issues)	27.00	42.00
_____ 10017 Seeds (4 issues)	9.00	15.00
_____ 10018 Sugar, Molasses & Honey (3 issues)	5.00	8.00
_____ 10019 Tea, Spices & Essential Oils (3 issues)	5.00	7.00
_____ 10020 Tobacco (12 issues)	25.00	40.00
_____ 10021 World Crop Production (12 issues)	18.00	25.00
_____ 10023 Wood Products (4 issues)	7.00	10.00

_____ **Total Reports Ordered** **Total Subscription Price** _____

☐ **Please send me a sample copy.**

Enclosed is my Check for \$_____ Made Payable to Foreign Agricultural Service.

Name (Last, first, middle initial)

Organization or Firm

Street or P.O. Box Number

City

State

Zip Code

Country

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

FIRST-CLASS MAIL
POSTAGE & FEES PAID
USDA-FAS
WASHINGTON, D.C.
PERMIT No. G-262

If your address should be changed _____ PRINT
OR TYPE the new address, including ZIP CODE and
return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 4644 So.
U.S. Department of Agriculture
Washington, D.C. 20250